

FRACTIONAL CURRENCY COLLECTORS BOARD  
c/o M.R. FRIEDBERG, TREASURER  
2537 Claver Road  
Cleveland, Ohio 44118

Fellow FCCB Members

15 June 1986

Subject; Cumulative Update to "The Index to The Encyclopedia of  
Postage and Fractional Currency"

In checking my records of updates issued to the membership, I frankly became highly confused in trying to decide what had been sent to you. Therefore it was decided to simply send you a list of all the known changes since the the March 15, 1985 issue of the INDEX!!!!

The following are the complete corrected listings containing changes, even if the change is a simple change of rarity..

1S5R.1b 1P5R.1e cut to approx note size but 41+ mm high{U}  
2E5R.1k 2E5R.1 except not stamped or punch cancelled (block of 10) with note  
"Printed Dec 14, 1863"{U}  
2E10F.2c 2E10F.2a except cancelled with 3 pie-wedge cancellations{U}  
2E10F.2g 2E10F.2 except on plain white paper{U}  
2R25.1l 2R25.1 with bronze "Treas Dept" on back{U}  
2E25F.3d 2E25F.3b full sheet with note "No.1 B.N. June 13 1863"  
2E50F.4k obverse on pink bond paper, not stamped or cancelled {U}  
2E50F.8 50c no bronze, purple-black ink on yellowish thick bond, blank back{U}  
2E50FR.8 This listing is incorrect if it follows the 2E50FR.5 and should be  
renumbered as 2E50FR.9, the listing following 2E50FR.7 is correct.  
2E50R.8 50c carmine reverse surcharged "R-1-18-63" and "50", obverse has only  
bronze oval, not stamped or punch cancelled{8}  
2E50R.12 50c carmine reverse on fine fiber paper, no bronze, obverse with  
treasury building and elaborate border design in lavender, not stamped  
or punch cancelled{8} N.B.- block with treas bldg known to exist +  
a single 2E50FR.8 + 2 1/2 singles of 2E50FR.12 exist  
3R50.12h 3R50.12 with reverse engraving inverted (sur. normal) {8}  
5E10R.2a tete-beche pair cut from sample sheet{7}  
5E25R.1a tete-beche pair cut from sample book, India on Cardboard{7}

Hope this catches you up to date.....

Milt Friedberg.

# The Fractional Currency of the United States

By BENJ. G. LOWENSTAM, Roxbury, Mass.

Every collector of Fractional Currency must have wondered, occasionally, at the apparent inexhaustible supply of these interesting little notes attributed to estimate the amount still outstanding. In this article I have attempted to supply this information.

Up to the time of the Columbian Exposition, forty years ago, the Treasury Department kept a record of each denomination and of each issue of the notes. It would come into the Treasury for redemption. Since then the practice has been done away with, and this record is kept only by denomination. At this time, the amount of these notes has changed comparatively little. At this time, for the Treasury reports show that the total amount of these forty years is slightly more than \$69,160 worth.

To get at the amount outstanding of each individual denomination, as shown in these tables, we have used the last detailed report of the Treasury Department, corrected it up to date, and obtained our results in the following manner:

The total issue of these notes amounted to \$368,724,000.

The amount of unredeemed notes, at this time, is over \$15,239,000.

The amount destroyed, as estimated by the Treasury, is \$13,250,000. The better more than \$1,989,000 worth still outstanding.

Assuming that all notes have suffered proportional losses, we have reduced all unredeemed notes to the same proportional fraction, then, based on the ages of the various issues and relative scarcity of these notes, the proportioned the outstanding figure among the various denominations accordingly.

One interesting fact is brought out through this table, and that is, the Sherman-Grant notes are not essays, but are a short-lived regular issue for they are included in the Treasury's record of notes issued and outstanding, which would not be the case with essays and specimens.

To those interested in forming an idea just how large a quantity 1,819,000,000 notes would be, I will say that the original issue would have covered about three square miles, while the present quantity of 14,400,000 notes would cover about three average city blocks.

While there are plenty of these notes still outstanding, there are no stocks held by any of the dealers of these pieces, and the number of collectors of these notes is also not very great, which leads us to the belief that the Treasury's estimate is several times greater than it should be.

The tables follow:

## Estimated Amounts Outstanding in 1933.

### FIRST ISSUE.

DENOM.	Original Issues.	Present Estimate.
	PIECES. VALUE.	PIECES. VALUE.
5 Cents	44,857,780 \$ 2,242,889.00	1,800,000 \$ 90,000.00
10 Cents	41,153,780 4,115,378.00	1,200,000 120,000.00
25 Cents	20,902,784 5,225,696.60	400,000 100,000.00
50 Cents	17,245,344 8,622,672.00	180,000 90,000.00
Total	124,157,688 \$ 20,215,635.60	3,580,000 \$ 400,000.00

### SECOND ISSUE.

5 Cents	55,896,522 \$ 2,794,826.10	1,500,000 \$ 75,000.00
10 Cents	61,760,843 6,176,084.30	1,000,000 100,000.00
25 Cents	30,593,365 7,648,341.25	320,000 80,000.00
50 Cents	13,090,464 6,545,232.00	170,000 85,000.00
Total	161,341,194 \$ 23,164,483.65	2,990,000 \$ 340,000.00

### THIRD ISSUE.

3 Cents	20,064,130 \$ 601,923.90	400,000 \$ 12,000.00
5 Cents	13,140,055 657,002.75	300,000 15,000.00
10 Cents	169,761,345 16,976,134.50	1,330,000 133,000.00
15 Cents	9,016 1,803.20	2,000 300.00
25 Cents	124,572,755 31,143,188.75	480,000 120,000.00
50 Cents	73,470,853 36,735,426.50	210,000 105,000.00
Total	401,018,154 \$ 86,115,028.80	2,722,000 \$ 385,300.00

### FOURTH ISSUE.

5 Cents	349,409,600 \$ 34,940,960.00	1,800,000 \$ 180,000.00	0.51%
10 Cents	35,361,440 3,536,144.00	200,000 20,000.00	0.57%
25 Cents	235,689,024 58,922,256.00	520,000 130,000.00	0.22%
50 Cents	154,799,200 77,399,600.00	188,000 94,000.00	0.12%
Total	775,259,264 \$175,567,932.00	2,708,000 \$ 424,000.00	0.35%

### FIFTH ISSUE.

5 Cents	199,899,000 \$ 19,989,900.00	1,500,000 \$ 150,000.00	0.75%
10 Cents	144,368,000 14,436,800.00	680,000 170,000.00	0.47%
25 Cents	13,169,000 3,292,250.00	220,000 110,000.00	1.67%
Total	357,427,000 \$ 37,728,950.00	2,400,000 430,000.00	0.67%
Total	1,819,223,300 \$368,724,079.45	14,400,000 \$1,989,300.00	0.85%

Sherman-Grant notes.

### SUMMARY BY DENOMINATIONS.

5 Cents	20,064,130 \$ 601,923.90	400,000 \$ 12,000.00	2.00%
5 Cents	113,894,357 5,694,717.85	3,600,000 180,000.00	3.16%
5 Cents	821,984,568 82,198,456.80	6,830,000 683,000.00	0.83%
5 Cents	35,370,455 5,305,568.40	202,000 30,300.00	0.57%
5 Cents	556,125,928 139,031,482.00	2,400,000 600,000.00	0.43%
5 Cents	271,783,861 135,891,930.50	968,000 484,000.00	0.36%
Totals	1,819,223,300 \$368,724,079.45	14,400,000 \$1,989,300.00	0.85%

### FIRST ISSUE.

#### Perforated Edges, A. B. N. Co. on Back.

5 Cents, Copy of 5c. Stamp of 1861, Yellow Paper, Brown Ink	300,000
10 Cents, Copy of 10c. Stamp of 1861, White Paper, Green Ink	165,000
25 Cents, Five 5c. Stamps, Yellow Paper, Brown Ink	65,000
50 Cents, Five 10c. Stamps, White Paper, Brown Ink	35,000

#### Plain Edges, A. B. N. Co. on Back.

5 Cents, Like 1-a	250,000
10 Cents, Like 2-a	170,000
25 Cents, Like 3-a	210,000
50 Cents, Like 4-a	75,000

#### Perforated Edges (No A. B. N. Co. on Back).

5 Cents, Like 1-a	300,000
10 Cents, Like 2-a	165,000
25 Cents, Like 3-a	65,000
50 Cents, Like 4-a	40,000

#### Plain Edges (No A. B. N. Co. on Back).

5 Cents, Like 1-a	250,000
10 Cents, Like 2-a	200,000
25 Cents, Like 3-a	60,000
50 Cents, Like 4-a	30,000

### SECOND ISSUE.

Reverse, Portrait of Washington in Bronze Oval Surcharge. Reverse, Surcharged with Large Bronze Numerals of Value.

5 Cents, Brown Back, Plain Paper, No Small Figures on Back	730,000
10 Cents, Green Back, Plain Paper, No Small Figures on Back	450,000
25 Cents, Purple Back, Plain Paper, No Small Figures on Back	125,000
50 Cents, Carmine Back, Plain Paper, No Small Figures on Back	70,000
5 Cents, Like 5-a, Surcharged Small Letters and Figures	700,000
10 Cents, Like 6-a, Surcharged Small Letters and Figures	450,000
25 Cents, Like 7-a, Surcharged Small Letters and Figures	150,000
50 Cents, Like 8-a, Surcharged Small Letters and Figures	120,000
5 Cents, Like 5-a, Fibre Paper, Surch. Letters and Figures	70,000
10 Cents, Like 6-a, Fibre Paper, Surch. Letters and Figures	80,000
25 Cents, Like 7-a, Fibre Paper, Surch. Letters and Figures	45,000
50 Cents, Like 8-a, Fibre Paper, Surch. Letters and Figures	40,000

### THIRD ISSUE.

#### Green Backs.

3 Cents, Washington, Dark Curtain	150,000
5 Cents, Washington, Light Curtain	250,000
5 Cents, Clark	220,000

11-a	10 Cents, Washington	1,000,000
12-a	25 Cents, Fessenden, Plain Paper, 25 in Open Bronze Shield	350,000
12-b	25 Cents, Fessenden, Fibre Paper, 25 in Open Bronze Shield	50,000
13-a	25 Cents, Fessenden, Fibre Paper, 25 in Solid Bronze Shield	Rare
13-b	25 Cents, Justice, Plain Paper	10,000
14-a	50 Cents, Justice, Plain Paper, Small Bronze Letters on Back	20,000
14-b	50 Cents, Justice, Fibre Paper	12,000
15-a	50 Cents, Spinner, Back Similar, Plain Paper	35,000
15-b	50 Cents, Spinner, Back Similar, Small Bronze Letters on Back	20,000
16-a	50 Cents, Spinner, New Back—50 in Center	35,000
16-b	50 Cents, Sherman-Grant (All Kinds)	2,000

## THIRD ISSUE.

## Red Backs, Engraved Signatures.

17-a	10 Cents, Clark	80,000
18-a	10 Cents, Washington	180,000
18-b	10 Cents, Fessenden	70,000
19-a	50 Cents, Justice, Plain Paper	12,000
20-a	50 Cents, Justice, Plain Paper, Small Bronze Letters on Back	15,000
20-b	50 Cents, Justice, Fibre Paper	Rare
21-a	50 Cents, Spinner, Plain Paper, Small Bronze Letters on Back	15,000

## Red Backs, Autograph Signatures.

22-a	10 Cents, Washington, Sigs. of Colby and Spinner	100,000
22-b	10 Cents, Washington, Sigs. of Jeffries and Spinner	50,000
23-a	10 Cents, Washington, Sigs. of Rosecrans and Spinner	Very Rare
23-b	10 Cents, Washington, Sigs. of Tillman and Morgan	Very Rare
24-a	50 Cents, Justice, Sigs. of Colby and Spinner, Plain Paper	12,000
24-b	50 Cents, Justice, Sigs. of Colby and Spinner, Bronze Letters	10,000
25-a	50 Cents, Justice, Sigs. of Colby and Spinner, Fibre Paper	Rare
25-b	50 Cents, Justice, Sigs. of Rosecrans and Spinner	Very Rare
26-a	50 Cents, Spinner, Sigs. of Colby and Spinner, Bronze Letters	14,000
26-b	50 Cents, Spinner, Sigs. of Allison and Spinner	Rare
27-a	50 Cents, Spinner, Sigs. of Allison and New	Very Rare

## FOURTH ISSUE.

## Plain Watermarked Paper.

25-a	10 Cents, Liberty, Large Treasury Seal	530,000
26-a	15 Cents, Columbia, Large Treasury Seal	80,000
27-a	25 Cents, Washington, Large Treasury Seal	150,000
28-a	50 Cents, Lincoln, Large Treasury Seal	48,000

## Pink Silk Fibres in Paper.

25-b	10 Cents, Liberty, Large Treasury Seal	530,000
26-b	15 Cents, Columbia, Large Treasury Seal	40,000
27-b	25 Cents, Washington, Large Treasury Seal	100,000
28-b	50 Cents, Lincoln, Large Treasury Seal	40,000

## Blue Ends, Violet Fibres in Paper.

25-c	10 Cents, Liberty, Large Treasury Seal	340,000
26-c	15 Cents, Columbia, Large Treasury Seal	45,000
27-c	25 Cents, Washington, Large Treasury Seal	90,000

## Blue Ends, Violet Fibres in Paper.

25-d	10 Cents, Liberty, Smaller Treasury Seal	400,000
26-d	15 Cents, Columbia, Smaller Treasury Seal	35,000
27-d	25 Cents, Washington, Smaller Treasury Seal	180,000
29-a	50 Cents, Stanton, Very Small Treasury Seal	100,000

## FIFTH ISSUE.

30-a	10 Cents, Meredith, Green Treasury Seal	300,000
31-a	50 Cents, Dexter, Green Treasury Seal	70,000
32-a	10 Cents, Meredith, Red Treasury Seal with Long Key	600,000
33-a	25 Cents, Walker, Red Treasury Seal with Long Key	240,000
32-b	10 Cents, Meredith, Red Treasury Seal with Short Key	600,000
33-b	25 Cents, Walker, Red Treasury Seal with Short Key	440,000
34-a	50 Cents, Crawford, Red Treasury Seal with Short Key	150,000

## THE KIND OF LETTERS WE LIKE TO GET.

From one of our advertisers: "I take great pleasure in telling you the ad. I have in The Numismatist this month (February) has already done its part. Since the issue came out I received from five to fifteen letters per day, most of them orders, some of them wanting to make exchanges, etc. I think The Numismatist is the finest magazine in the country."

## Descriptive List of Obsolete Paper Money

By D. C. WISMER, Hatfield, Pa.

PART I—Embracing the Circulating Notes Issued by State Banks, Private Banks, Bankers and Corporations.

(R.—Right end illustration.  
Abbreviations: C.—Central illustration on note.  
(L.—Left end illustration.)

(The publication of this list was begun June, 1922.)

(CONTINUED FROM LAST MONTH.)

## PENNSYLVANIA (Continued).

## TYRONE.

Lloyd, Caldwell and Company.

Tyrone and Clearfield Railroad Company.

## UNIONTOWN.

Bank of Fayette County.

(Chartered 1858. Changed to National Bank of Fayette County in 1864.)

1389. \$1. C., cattle passing through gateway, woman, child, etc. R. and L., 1.  
1390. \$2. C., TWO and 2 on die, ducks at right, poultry at left. R. and L., TWO DOLLARS and 2 on die, 2 and TWO on die above.  
1391. \$5. C., woman seated, feeding calf, train and canal boat in distance. R., portrait of William Penn, 5 above. L., portrait of Clay, V above.  
1392. \$10. C., drove of cattle, etc. R., portrait of Lady, X above. L., portrait of Jackson, 10 above.  
1393. \$20. C., farm scene, city in distance. R., portrait of Lafayette, 20 above. L., portrait of Washington, 20 above.

Fayette County Railroad Company.

Union Bank of Pennsylvania.

1394. \$1. Have no description.  
1395. \$3. Have no description.  
1396. \$3. C., title of bank, 3 on die each side above. R., THREE DOLLARS across. L., THREE across Nov. 3, 1812.  
1397. \$5. C., blacksmith beside forge, 5 on die each side. R., FIVE across. L., FIVE DOLLARS across. No. 35. October 5, 1812.

## WARREN.

Lumbermens Bank at Warren.

(First Bank in Warren. Chartered 1834. Failed 1838. Robert Falconer, president; F. Shepard, cashier.)

1398. \$1. C., spread eagle, oval containing ONE DOLLAR, 1 each side. R., canal scene. L., phoenix.  
1399. \$5. C., view of sawmill along river, men at work, boats and mountains in distance, medallion head of Franklin each side. R. and L., Indian, denomination above and below. Jan. 20, 1836.  
1400. \$10. C., river view, logs floating down river, boats, etc., medallion head each side. R. and L., similar to No. 1399. Mar. 8, 1855. (Underwood, Bald & Spencer, engravers.)

## COUNTERFEIT FRACTIONAL CURRENCY

by Martin Gengerke #2056

Before beginning, I should mention what this article is, and what it is not. Much has been written on counterfeit U.S. currency over the years, both on the historical aspects and the technical aspects. Articles such as William Koster's in *Paper Money* magazine have served well to acquaint the reader with counterfeits of certain series as well as with the various telltale signs of counterfeits applicable to other fields in general. The history of counterfeiting has been very entertainingly documented in *Counterfeiting in America — The History of An American Way to Wealth* by Lynn Glaser (the writer, not the fractional currency dealer), published by Clarkson N. Potter in 1960. A bit more technical and harder to find is *Counterfeiting, Crime Against the People* by Laurence Dwight Smith, published by W.W. Norton in 1944. This article, and subsequent ones if the popularity warrants, will cover little of the historical or technical aspects of counterfeit fractional currency, but will instead endeavor to show the reader photographically just how good (or bad) the contemporary circulating fractional counterfeits were.

The counterfeits illustrated in this issue are of the second issue fifty cent notes. As the hardest part of a note for a counterfeiter to do properly is the portrait, I have illustrated seven portraits of Washington. Only one of them is genuine. If you have guessed 'B', may I suggest you throw away your Friedberg and collect beer cans. Illustrations B, D, E, and G are all rather poor and should fool no collector or dealer. Illustration 'A' is by far the most commonly encountered second issue counterfeit, and occasionally slips by a dealer or collector, although it shouldn't. That leaves us with 'C' and 'F'. The genuine is 'F'. The note in illustration 'C' is very rare, and one of the finest fractional counterfeits ever "issued". The Secret Service, which pulled cardboard proof impressions from each counterfeit plate it seized, has both actual seized examples of this note and cardboard proofs, perhaps explaining its rarity. Curiously, although the engraving is of superior workmanship, the reverse surcharge was botched: instead of having "18" and "63" in the lower corners, it has "18" and an inverted "39". Partially printed examples have often been mistaken for experimental pieces, and are listed (as counterfeit) in Milton Friedberg's Encyclopedia. (See illustration 'H').

As mentioned earlier, this is not intended as a complete listing of counterfeits, nor is it intended as instruction in how to detect counterfeits. It is intended merely to acquaint the reader with a few counterfeits of the series. If it should prove helpful or popular, a similar treatment could be done for other notes in the fractional series.

NOTE: Illustrations A through H will be found on the following two pages.

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### FRACTIONAL EXHIBIT TAKES PMCM BEST OF SHOW AWARD

The P.M.C.M. Paper Money Best-of-Show Award was presented to Mart Delger at the Spring Convention of The Michigan State Society, held in Battle Creek on April 23-25. His exhibit included a Type Set of United States Fractional Currency Wide Margin Specimens Proofs.

Six P.M.C.M. members had paper money exhibits including twenty cases.

P.M.C.M. members Kevin Foley, Max Brail, and Dave Roper served as judges.



A



B



C



D



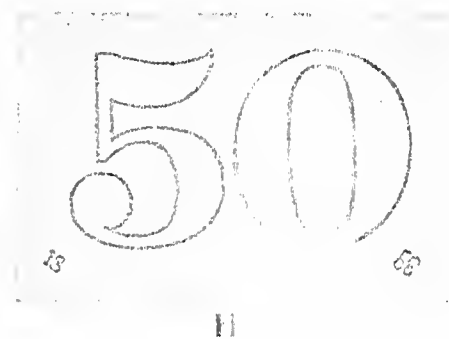
E



F



G



These illustrations  
accompany the  
article on Page 11.

## Fifty-Cent Postage Currency Research: The Mystery of the Fifty-Cent Perf. 14 Resolved

by MILTON R. FRIEDBERG

**F**IFTY-CENT postal currency notes issued in August of 1862 and through the final delivery to the Treasurer of the United States on May 27, 1863 were printed either by the National Bank Note Company (NBN Co) or by a combination of the American Bank Note Company (ABN Co) and the National Bank Note Company. The notes were first issued imperforate, then perforated and finally reverted back to the perforated version.

We are specifically interested in a perforation variety of the 50¢ note having its face (or obverse) printed by NBN Co. and its reverse printed by ABN Co. with a script "ABC" appearing in the lower right corner of the back (or reverse). The edge of this note was perforated with 14 holes per 20 millimeters as contrasted to 12 holes in the common notes. This note is listed in various catalogs as: Milton 1R50.3d, Friedberg 1310a, Valentine 4b, Limpert A4f, Raymond 4a, Scott 4a, Schultz 104b.

The first published hint of the future note came in 1888 with the sale of a full sheet of 50¢ notes "imperforate with face plate number 23." In 1889, Harlan P. Smith's fixed price list shows 50¢ postage currency with "small holes" as single notes at a small price advance over the regular notes. Because one of the known notes has face plate number 23, it thus leads to the hypothesis that this sheet of 1888 could have been privately perforated for the order of Harlan P. Smith's account. A further suspicious circumstance strengthens this hypothesis in that Smith's former partner in his numismatic dealings was H. G. Sampson. Mr. Sampson's main income was produced from his sales of printing presses. Sampson can be presumed to have known the bank note engraving companies and theoretically could have had access to a rotary perforator.

On January 20, 1890, the note first appeared at auction in the sale of the Robert Coulton Davis collection conducted by Harlan P. Smith as lot 2805. It is described as "50 cents with 'ABN Co,' small perforations, 'rare'" and realized a price of \$1.30!

Notes currently in known collections and descriptions from past auctions show the sheet edges (selvage) attached to many notes. When all known notes are listed, they seem to constitute a single sheet that was broken up and distributed to various collectors. No duplicate position notes have been described in the literature or have been seen, thus reinforcing the single sheet theory.

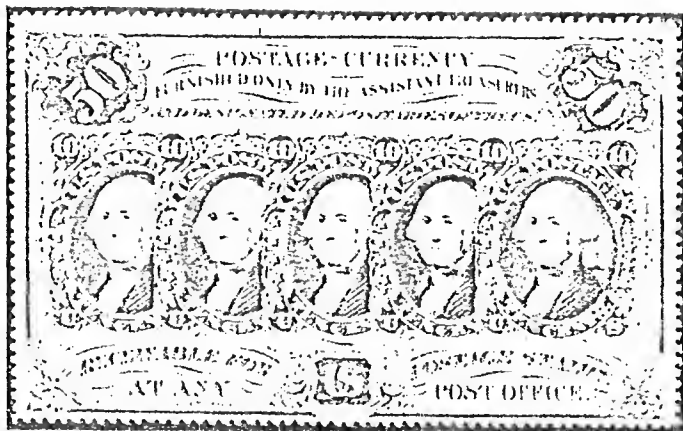
The original rotary perforating machines were designed, patented and produced in England. British patent No. 2607 dated 8 June 1855 was issued to W. Bemrose based on a submission of 11 December 1854. As early as 1857, the U.S. firm of Toppan, Carpenter & Co. (printers and engravers of U.S. postage stamps and fiscal paper) were producing U.S. postage stamps perforated with a rotary perforator having

15 holes in 20mm (20-21 holes per inch). In 1858, the "American Bank Note Companies" were using a machine that produced 11¼ holes in 20mm (15 holes per inch). "Comb" or "stroke" perforators were already in existence but were not considered satisfactory for stamps or notes. Only one partial vertical or horizontal row could be produced per stroke due to the inherent nature of the machine. The comb perforator was a series of small punches looking much like a hair comb. It moved vertically on guides to drive the punches into a series of holes that precisely matched the size and position of the descending comb. A characteristic of the stroke perforator is that it punches a perfectly round hole and rarely leaves torn paper edges around the hole. Long stretches of perforations rarely maintained perfect spacing or straightness since they were accomplished by manually moving the sheet to a new position between each stroke of the comb machine.

The bank note and stamp printing companies never considered the use of a comb perforator since the labor involved in using the comb machine was excessive. The Bemrose rotary patents were not protected by law in the U.S. Bemrose sold a machine to Toppan, Carpenter, and local copies of the machine were made for other printers. The principle of the machine's operation was that of two meshing gears on parallel shafts. One gear had a series of punches instead of teeth that slipped into mating holes in the second gear-like wheel. Obviously by placing a series of male punch wheels on one shaft and a mating series of female wheels on the other shaft, rotary motion applied to either shaft would turn the second shaft in concert. This design allowed the perforating of all the vertical or horizontal rows of a sheet at one time. Two passes of the sheet through the perforator produced a complete sheet with holes perfectly spaced and parallel. An illustration of the American Bank Note Co. machine in use on what appears to be postage currency appears in the February 1862 issue of *Harper's* magazine. An identifying characteristic of the rotary perforator is that the punched hole is slightly oblong with its long axis in the direction of wheel rotation. Further, the entering edge of the male punch into the female is normally a clean cut of the paper while the trailing edge normally leaves a slightly ragged edge on the paper.

Research in the U.S. stamp catalogs indicates that all stamps produced by Toppan, Carpenter and Co. prior to 1858 were perforated 15¼ gauge (19-20 pins per inch). American Bank Note's were 11.6 gauge (14½ pins per inch) until a second perforator was put in service during the last two months of 1861. This second machine was gauge 11.85 (15 pins per inch). The normal perforation gauge would class all of the American Bank Note machines as perforating gauge 12 per 20mm (sophisticated gauges such as the Stanley Gibbons "Instanta" allow the exact measurements listed above). In 1863, a third machine was added to the group made in the U.S. This machine produced a gauge of 11.95 (15.25 pins per inch). In summary, the postage currency notes completely produced by the National Bank Note Co. and perforated by them in 1862 and/or 1863 should indicate that they were perforated on a 12 gauge rotary machine. Those notes printed by the combination of National and American Bank Note Co. have similar perforations and checking of many copies of these notes confirms the data.





Front of perforated 14 note.

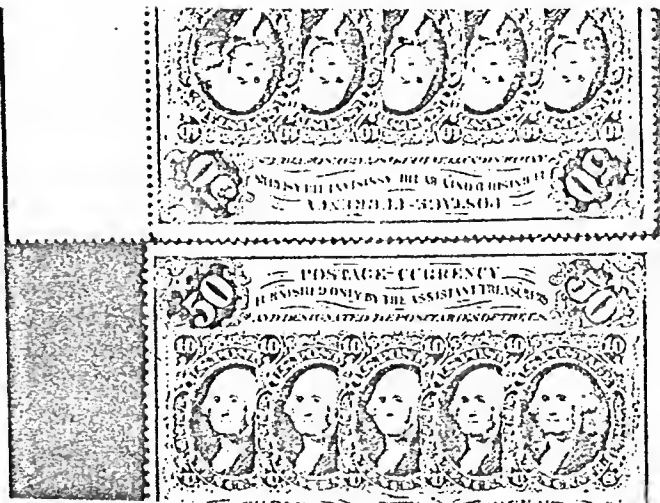


Back of perforated 14 note.

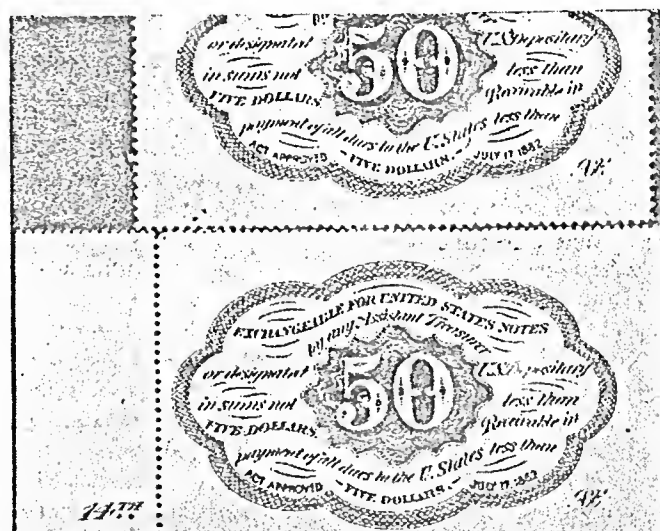
Examination of 16 gauge (16 holes in 20mm) notes that recently appeared on the market indicated that they were perforated by a comb perforator perfectly (round holes and uneven lines). The conclusion that the notes had not been perforated when originally issued was obvious and the further inference that they had not been done under orders of the Treasury Department was obvious.

Further research on perforations appearing on U.S. stamps indicates that 14 gauge (14 holes in 20mm) had never been used prior to 1900 on U.S. or Canadian stamps produced by either National Bank Note, American Bank Note or associated companies. The only references to perf. 14 occur in "Local" or "Telegraph" stamps issued for the private firms operating primarily in New York City. In 1878, Hussey's Post of New York City issued stamps perforated 14 but unfortunately the printer is unknown. In 1881, Boyd's City Express of New York City issued stamps perforated 14 and printed by C. O. Jones. In 1882, stamps printed and engraved by the Van Campen Engraving Co. for the Mutual Union Telegraph Co. were perforated 14 gauge. Hamilton Bank Note Co. produced stamps for the Postal Telegraph Co. in 1885 that were perforated 14. Kendall Bank Note Company in 1886 printed stamps for the Baltimore and Ohio Telegraph Co. that were perforated 14.

It is apparent that by 1886 the availability of 14 gauge perforators was widespread. The summary of above information leads us to believe that the 50¢ postage currency notes having ABN Co. insignia on the back and perforated



Comparison of front of perf. 12 and perf. 14 note. (The perf. 14 has the selvage.)



Comparison of back of perf. 12 and perf. 14 notes. (The perf. 14 has the selvage.)

with 14 holes in 20mm are all from a single sheet having plate number 23 on the face and plate number 14 on the back. This sheet was apparently privately perforated after its 1888 sale as an imperforate sheet and prior to the issuance of H. P. Smith's fixed price list in 1889 when it was sold as individual perforated notes. It is also believed that the sheet was perforated on the premises of a major engraver/printing company having a 14 gauge rotary perforator.

The collectability and listings of this sheet are related to its well-documented history since 1888. It is believed that if this sheet of notes were to surface with an undocumented past, it would not be of interest to the collector's world and would not deserve listings in the applicable catalogs.

#### References

- Harpers Magazine, Feb. 1862.
- Scott "Specialized" Catalogue of United States Stamps.

*How to Detect Damaged, Altered, and Repaired Stamps*, by Paul W. Schmid.

*Early American Perforating Machines and Perforations, 1857-1867*, by Winthrop S. Boggs.

Archives of the American Numismatic Society.

Research assistance from Martin Gengerke.

*The Story of the American Bank Note Company*, by William N. Griffiths.

## CONFEDERATE POSTMASTER CURRENCY

A number of postmasters in the Confederate States of America issued small denomination currency to meet demands for change in the business operation of their local post offices. This currency either indicates that it is redeemable for postage, or is signed by the postmaster, or bears the post office date stamp, any one of which identifies it as postmaster currency. The date of issue should also be of the Civil War period of December 20, 1860 to June 2, 1865.

Confederate stamp collectors through their collector society, The Confederate Stamp Alliance, periodically issue the standard catalog of Confederate stamps under title of *Dietz Confederate States Catalog*. This catalog includes a listing of known paper currency issued by Confederate postmasters. An appeal is made to *Paper Money* readers for any information on such currency. Please send details to:

Everett K. Cooper  
19622 Pinehurst Trail Drive  
Humble, Texas 77346

### DRAFT - Dietz Confederate Catalog Revision

#1 Aberdeen, Mississippi  
Postmaster - M. Gattman  
Issued - September 1864  
10¢

#2 Bladen Springs, Alabama  
Postmaster - D. Partridge  
Issued - 1862  
10¢  
50¢

#3 Columbia, Texas  
Postmaster - W. F. Swain  
Issued - 1862 & 1863  
10¢  
50¢

#4 Cork, Florida  
Postmaster - William C. Brown  
Issued -  
10¢  
25¢

#5 Fort Smith, Arkansas  
Postmaster - Tom Vernon  
Issued - May 1863  
10¢

-6 Front Royal, Virginia  
Postmaster - Gideon W. Jones  
Issued - September 1861  
(G.W. Jones was merchant and postmaster; notes are stamped on the reverse with Front Royal circular date stamp. Numerous paper and printing varieties.)

5¢ Sept. 2, 1861  
10¢ Sept. 10, 1861  
25¢ Sept. 2, 1861  
50¢ Sept. 5, 1861  
\$1 Sept. 5, 1861

#7 Little Rock, Arkansas  
Postmaster - William F. Pope  
Issued - October 1862

10¢  
25¢  
75¢

#8 Manchester, Virginia  
Postmaster - E. Matthews  
Issued - April 4, 1862  
20¢

#9 Mobile, Alabama  
Postmaster -  
Issued -  
1¢

#10 New Orleans, Louisiana  
Postmaster - John L. Riddell  
Issued -  
(Printed on small cards of different colors, not dated, signed by Postage Clerk Edward Rapier or L. S. Riddell or sometimes by postmaster. Postmaster name embossed as protection against fraud. Most denominations never released, those released are marked with asterisk (\*).

½¢  
\* 1¢  
\* 2¢  
\* 5¢  
10¢  
12¢  
15¢  
20¢  
24¢  
25¢  
48¢  
50¢  
100¢  
200¢  
400¢  
500¢

#11 Port Hudson, Louisiana  
Postmaster - J. B. Aburer  
Issued - Dec. 25, 1862

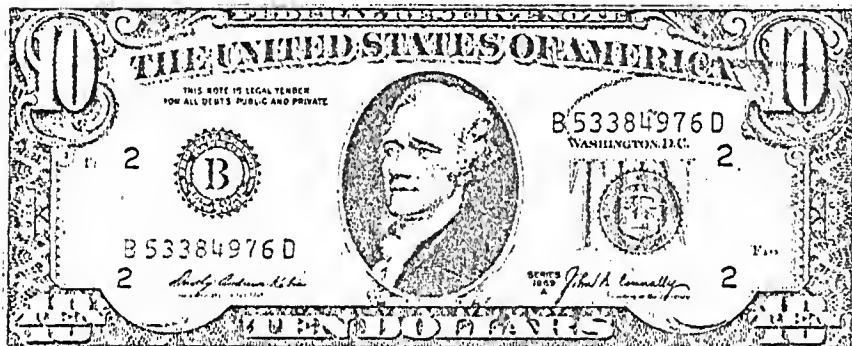
5¢  
10¢

#12 Sangersville, Virginia  
Postmaster - N. L. Blakemore  
Issued - Nov. 1, 1861

20¢



## PAPER MONEY ERRORS



- 958 \$10 1969-A, F-1904-B, GEM NEW note, 100% offset printing on back, with inspector's crayon rejection mark on front. Exceptionally bold impression. (\$75-200) (photo)
- 959 \$1 1974, F-1908-C, GEM NEW note, 100% offset printing front on back. (\$50-125)
- 960 \$10 1977, F-2023-A, Boston, GEM NEW note, dramatic printing error. Front of the note is completely missing the green serial numbers and seal! (\$150-275)

## PATTERN COINAGE

### MILTON FRIEDBERG'S POSTAL CURRENCY PATTERNS WITH MINT ENVELOPES

The dawn of the Civil War brought financial chaos to the U.S. Suspension of specie payment in December of 1861 resulted in the hoarding, and disappearance of gold, silver, and even copper coins from circulation. To fill this void, Congress responded in July, 1862 with an act which allowed postage stamps to be redeemed by U.S. notes, and by extension of this mandate paved the way for U.S. Postage Currency to be issued. This was paper money in denominations of under one dollar bearing the likeness of U.S. postage stamps, and issued through the U.S. Post Offices. It was soon felt that some redemption system was necessary for the Postage Currency to give it a sound backing, but with specie payment suspended, this was not feasible.

During the Congressional discussions of July, 1862, it was noted that by the Act of 1853, the weight of U.S. silver coinage had been reduced "... so as to make their actual less than their nominal value. If during the existing troubles the weight should be further reduced so as to establish a similar relation between these coins and U.S. Notes, it is probable that the coin will be retained in circulation." Mint Director James Pollack in his report dated October 27, 1862 noted that the intrinsic value of the one cent coin was less than  $\frac{1}{2}\text{¢}$  yet remained acceptable to the public, adding: "Would the half-dime, dime, or quarter dollar be any less acceptable if it were, say, three-fourths of the present weight of the coins?"

He then endorsed creation of a devalued coinage "of the present nine-tenths fineness but of reduced weight" and extended the concept to cover redemption of Postage Currency.

On May 15, 1863, Mint Assayers Jacob R. Eckfeldt and William E. DuBois sent to Director Pollack a lengthy report "on the subject of Silver Tokens for currency", which elaborated upon the rationale and precedents for a token coinage.

Their definition of "token" was a "coin whose value is partly real and partly nominal. It is a payment in part with a promise of the remainder." By reducing the standard weight of silver coinage so that actual silver value is less than nominal value it becomes a token coinage. They proposed, as an example, reducing the weight of the dime from 38.4 grains to 20 or 22 grains.

They suggested that reducing the coin weight would bring hoarded silver coin back to the mint by allowing the holder a profit, while the recoined pieces would, in turn, remain in circulation as there would be no intrinsic premium to face value. They recommended maintaining the standard fineness of .900 as "the people are always jealous of any reduction in quality".

Eckfeldt and DuBois also proposed to make some experiments in a new metal-aluminum, which was considered rare and expensive at the time. In closing, they indicated that the Mint Engraver Longacre was preparing dies with the words "Postage Currency — Exchanged for U.S. Notes, Act of July, 1862", "to give the people the understanding that this is the legitimate successor to the paper bills." The word "token" was unfamiliar, and therefore should not be used.

In a postscript to that report, they added:

We have prepared a few silver planchets of standard fineness and two grade of weight 20 and 22 grains. This experiment will show which is to be preferred, in the practical view... they can probably be struck by Tuesday next (19th), or perhaps a day or two later. The matter has been held as confidential as possible.

The Postage Currency Pattern pieces were born from this secret experiment. As the pieces were struck, it is apparent that some mint official, probably W.E. DuBois, placed examples in small envelopes, and wrote pertinent information on the outside. Our offering is a set of 10 coins in 5 envelopes, and is similar to examples in mint envelopes offered at the Evanson Sale (1903), and the Earle Sale (1913). Due to the presence of dates on the envelopes in those sales, we can construct a probable emission sequence.

On May 19, 1863, 43 or more pieces in Standard Silver were minted. The next day, May 20, saw the mints' first experiments with aluminum, in which more than 30 pieces were struck. Also on May 20 were the 39 strikings in block (pure) tin. On the following Wednesday they minted pieces in odd alloys and weights, tin with 3% copper (15 pieces), aluminum with 3% silver (30 pieces), 75% copper, 25% silver (27 pieces). Possibly other varieties were struck at that time.

As the pieces we offer indicate, DuBois' and Eckfeldt's fears concerning die-cracking, planchet buckling and splitting as expressed in their report to Pollack, were confirmed. The coins in these envelopes show occasional splitting, planchet waviness, and progressive die-cracking, and probably would have been very difficult to mint on a large scale. It may well be for this reason that this version of token coinage was never implemented.

New England takes delight in offering these lovely pedigreed pieces from the collection of Milton R. Friedberg in superb condition, and unique as a set. Included are the only known 20 grain silver coins and the possibly unique 27 grain piece in block tin. These should appeal to collectors of patterns, dimes, and Fractional Currency, as well as those who love exotic mint history.

We hope that these pieces will be sold as a unit, because their greatest value lies in uniqueness as a set. We will, however, offer both options by first offering the envelopes with accompanying pieces in individual lots, then offering the five lots as a unit as Lot 966. Bidding on Lot 966 will begin at the total of the highest bids for the five individual lots. High bids on Lots 961 to 965 are to be considered conditional, pending the outcome of bidding on Lot 966.

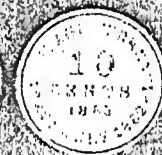
Nos. 1.

2 pieces. Standard Silver  
10 cts., 20 grains. 5.21 cts value  
or 5- $\frac{5}{24}$  cts. actual value, each.



No 3. Aluminum.

2 pieces. 10 cts each.  
Weight 8 grains, value about  
5 cents each.



961 2 pieces (J-325, AW-383). 10¢ Standard Silver. Plain Edge. R-8. (2 pieces known)

- a) PROOF-65. Deep iridescent toning halves brilliant centers. Reverse rim exhibits numerous tiny irregularities.
- b) PROOF-65. Similar toning as the previous. Small planchet crack apparent on obverse through ES of NOTES.
- c) Envelope reads: "Nos. 1." 2 pieces. Standard Silver 10 cts. 20 grains. 5.21 cts. value or 5-5/24 cts. actual value each.

These coins of Envelope #1 were probably among the very first pieces minted on May 19, 1863, and are the only known 20 grain specimens. Mintage of the 20 grain coins may have come to an early end by a decision in favor of the more stable 22-23 grain planchets. These are most likely the pieces Edgar Adams refers to in his notebook, "Have seen two specimens weighing 20 grains." Scott's Encyclopedia refers specifically to these two coins with the comment "2 pieces exist, each of 20 grs., ex-Merkin, private sale, 1967." Interesting. (photo)

962 2 pieces (J-325, AW-383). 10¢ Standard Silver. Plain Edge. High R-5. (43 pieces supposedly struck)

- a) PROOF-65. Beautiful rose-colored iridescent toning.
- b) PROOF-65. Lovely blue and rose iridescent on the obverse. Deep charcoal toned reverse.
- c) Envelope reads: "No. 2 2 pieces. Standard Silver 10 cts. ea. 22 grains. 5-35/48 or 5.73 cts. actual value of silver."

Another envelope and pair of coins from the May 19, 1863 mintage. These 22 grain coins are the ones normally encountered by collectors.

963 2 pieces (J-327, AW-381). 10¢ Aluminum. Plain Edge. High-6. (16 pieces struck)

- a) PROOF-65. Brilliant. Small planchet lamination near ED on obverse, and near NTS on the reverse.
- b) PROOF-63. A noticeable rim nick (probably mint caused) on reverse at 5 o'clock.
- c) Envelope reads: "No. 3 Aluminum 2 pieces. 10 cts. each. Weight 8 grains, value about 5 cents each."

These pieces, struck on May 20, represent what was probably the first use of aluminum at the mint, as no pattern issue appear to have been minted in aluminum prior to 1863, and all available information indicates that the remaining patterns of 1863 struck in aluminum were struck later than May. J. Pollack, Director of the Mint, in his annual report issued October, 1863, discussed the use of aluminum for "small change" or as a substitute for postal currency, and was most concerned by the price, which had gone from \$20 per oz. to \$10 per lb., and was expected to decline to one-third of that. He suggested that when that price level was reached the idea was given "earnest and considerable attention".

Also it is interesting to note that the Adams-Woodin listing AW-382 applied to pieces of 11 grain weight. In Adams' revised notes he indicates a sub-listing AW-382a, applying to the 8 grain coins. This version was never published. (photo)